

# MAP YOUR FINANCIAL FUTURE



## A Mini-Lesson for:

elementary and secondary teachers  
adult and community educators  
students and parents

This mini-lesson includes learning objectives, background information, discussion questions, an activity and sources of additional information.

## Objectives

This activity is designed to help students clarify how they feel about their short-term and long-term goals and to understand how this contributes to the success of personal financial planning.

Learners will:

- Distinguish between short-term and long-term goals
- Identify the opportunity cost of spending or saving decisions.
- Explain how saving helps to satisfy future wants.
- Use understanding of opportunity cost to suggest how to make better saving and spending decisions.

## ECONOMIC CONCEPTS

Map your financial future - Take time to list your financial goals, along with a realistic plan for achieving them. You can go places you want to go without a roadmap - but seldom on the first try.

Plan for wants; consider trade-offs and opportunity cost. Learn good money management. See where you can start saving. Map out short-term goals and long-term goals.

Consider need vs. wants. Think about the items you purchase on a regular basis. Do you really "need" the items? Can you do without it? Do you think you could get it later on sale? Where can you save? These are some questions you need to answer for good money management.

Taking control of your financial situation helps reduce the anxiety of not knowing whether you have the money to pay your bills when they are due. It is important to have a sense of control over money, rather than letting money have control over you. Building assets improves the quality of life for you and your family. Budgeting will help you build assets.

See Mini-Lesson: [\*\*A COLLEGE STUDENT BUDGET.\*\*](#)

See Web Sites on [\*\*Budgets.\*\*](#)

See [\*\*Money Smart Courses.\*\*](#)

When you have developed a budget, you can see more clearly where you can cut some expenses and start saving. It is import to start saving at an early age. It is a habit that is good to get into. For ideas where to put your savings, see Web Sites: [\*\*Mini-Lesson - Children and Money\*\*](#) and [\*\*Banking and Investments\*\*](#)

A budget will also help develop short and long term goals.

---

# DISCUSSION QUESTIONS AND TOPICS

1. Have students discuss the amount of time they consider to be short, medium, or long. How does age affect one's idea of time?

2. Ask students to list the things they want to have in the future and to indicate the goods and services they would be willing to save for.

3. Have students define the term "want." (A desire that can be satisfied by consuming a good or service.)

4. Ask students to give examples of the opportunity cost of spending or saving decisions they have made in the past. Define opportunity cost as the highest valued alternative that must be given up because another option is chosen.

5. What might you have to give up to reach each of your savings goals? When you decide to save, do you consider what you have to give up—your opportunity cost? Remind students that when they decide to save, they value saving (or what they are saving for) more than what they are giving up. If they don't value saving more, they will decide not to save.

---

# ACTIVITY

1. Have students make a budget and decide how much they can save on a regular basis.
2. Instruct students to fold a sheet of paper (11" by 14") in thirds and label one section short-term goals, another medium-term goals, and another long-term goals. Using the list they had made of the things they want to have in the future, have them write these items under the heading that reflects the amount of time they will need to save in order to acquire them.
3. Review with students the value of setting saving goals and the difference between short-term and long-term goals.
4. Have them design their personal strategy for meeting their short-term goals while, at the same time, planning for medium-term and long term goals. Saving decision require trade-offs between short-term and longer-term goals. Trade-offs involve giving up some of one thing to get some of another thing. Have students take the Savings and Investment Quiz on the [Internet](#) or ([Print Quiz in Adobe](#)). Print the [Answers to the Savings and Investment Quiz](#) in Adobe.

## OTHER RELATED QUIZZES

Have your class take the Allowance and Spending Plan Quiz on the [Internet](#) or ([Print Quiz in Adobe](#)).

Print the [Answers to the Allowance and Spending Plan Quiz](#) in Adobe.

Have your class take the Money Responsibility Quiz on the [Internet](#) or ([Print Quiz in Adobe](#)).

Print the [Answers to the Money Responsibility Quiz](#) in Adobe.

Have your class take the Budget Quiz on the [Internet](#) or ([Print Quiz in Adobe](#)).

Print the [Answers to the Budget Quiz](#) in Adobe

## SOURCES OF ADDITIONAL INFORMATION

### Articles

*Accounts That Give Piggy Banks a Run For The Money*, by Debra Nussbaum. The New York Times, p. F7, (June 30, 1996).

*Students Tackle a Subject With Interest; learning the fundamentals of investing can be a profitable lesson*, by Martha M. Hamilton. The Washington Post, p.WH9, (March 4, 1997).

## Books/Pamphlets

**Books** written on the stock market.

*Kiplinger's Money Smart Kids (and parents, too!)*, Bodnar, Janet, National Book Network. Telephone: (800)253-6476. \$12.95.

*You and Money, Investment Kit for Fourth to Sixth Graders* Available free from: Fidelity Investments, (800) 544-6666

## Web Sites

See our Web Site on [Teaching Basic Economics](#) to help Parents teach their children basic economics.

See our Web Site on [Financial Security Planning](#).

Additional teaching information: The Copernicus Education Gateway Teachers Guide [The Art of Budgeting](#), [Money Responsibility](#), [Saving and Investing](#), [Banking services](#), and [Allowance and Spending Plan](#).

[CCCs for Kids](#) Word games to teach children about the benefits of saving their money

[Saving](#)

[Investing for Kids](#)

[Young Investors Network](#)

[KidStock](#)

ECONnections ([Adobe](#)):

[Why We Save](#) (Grades K-2)

[My Money](#) (Grades 4, 5, & 6)

[Life of a Dollar Bill](#) (Grades 4-8)

[Road to Roota](#) (Grades 2-7)

[M & M Interesting](#) (Grades 6-8)

[Once Upon a Dime](#) (Grades 6-9)

[Banking Basics](#) (Grades 7-12)

---